

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2009**

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**BILL DRAFT 2009-TD-28 [v.4] (03/29)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)**

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Short Title: Use of 911 Funds.

(Public)

Sponsors: Representative.

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE STATUTES GOVERNING EMERGENCY TELEPHONE  
SERVICE AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON THE  
USE OF 911 FUNDS.

The General Assembly of North Carolina enacts:

**Operating standards for PSAPs:**

**SECTION 1.** G.S. 62A-42(a) reads as rewritten:

"(a) Duties. – The 911 Board has the following powers and duties:

...

(4) To establish ~~policies and procedures~~ policies, procedures, and primary PSAP operating standards, to fund advisory services and training for PSAPs and to provide funds in accordance with these ~~policies and procedures~~ policies, procedures, and standards for PSAP operations.

...

(9) To adopt rules to implement this Article. This authority does not include the regulation of any enhanced 911 service, such as the establishment of technical ~~standards~~ standards for telecommunications service providers to deliver 911 voice and data.

..."

**Reduction in number of Board members:**

**SECTION 2.** G.S. 62A-41 reads as rewritten:

"(a) Membership. – The 911 Board is established in the Office of Information Technology Services. The 911 Board consists of ~~17~~ 13 members as follows:

(1) Four members appointed by the Governor as follows:

- a. An individual who represents municipalities appointed upon the recommendation of the North Carolina League of Municipalities.
- b. An individual who represents counties appointed upon the recommendation of the North Carolina Association of County Commissioners.
- c. An individual who represents a VoIP provider.

- d. An individual who represents the North Carolina chapter of the National Emergency Number Association (NENA).
- (2) Six members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives as follows:
- a. An individual who is a sheriff.
- b. Two individuals who represent CMRS providers operating in North Carolina.
- c. An individual who represents the North Carolina chapter of the Association of Public Safety Communications Officials (APCO).
- d. Two individuals who represent local exchange carriers operating in North Carolina, one of whom represents a local exchange carrier with less than 50,000 access lines.
- (3) Six members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate as follows:
- a. An individual who is a chief of police.
- b. Two individuals who represent CMRS providers operating in North Carolina.
- c. An individual who represents the North Carolina chapter of the National Emergency Number Association (NENA).
- d. Two individuals who represent local exchange carriers operating in North Carolina, one of whom represents a local exchange carrier with less than 200,000 access lines.
- (4) The State Chief Information Officer or the State Chief Information Officer's designee, who serves as the chair."

**Private Vendors:**

**SECTION 3.** G.S. 62A-42(b) reads as rewritten:

"(b) Prohibition. – In no event shall the 911 Board or any other State agency lease, construct, operate, or own a communications network for the purpose of providing 911 service. The 911 Board may pay private sector vendors for provisioning a network for the purpose of providing 911 service."

**911 Board Administrative Expenses:**

**SECTION 4.** G.S. 62A-44(b) reads as rewritten:

"(b) Allocation of Revenues. – The percentage of the funds remitted under G.S. 62A-43 which The the 911 Board may deduct and retain for its administrative expenses is initially set at one percent (1%) of the total service charges collected. The 911 Board must monitor the amount of funds required to meet its financial commitment to providing technical assistance to primary PSAPs and may, if costs warrant, adjust the percentage up to two percent (2%). up to one percent (1%) of the total service charges remitted to it under G.S. 62A-43 for deposit in the 911 Fund. The remaining revenues remitted to the 911 Board for deposit in the 911 Fund are allocated as follows:

..."

**Expansion of use of 911 Funds for telecommunicator equipment, additional training, and to the "top of the tower" for communications equipment:**

**SECTION 5.(a)** G.S. 62A-46(c) reads as rewritten:

"(c) Use of Funds. – A PSAP that receives a distribution from the 911 Fund may not use the amount received to pay for the lease or purchase of real estate, cosmetic remodeling of emergency dispatch centers, hiring or compensating telecommunicators, or the purchase of

mobile communications vehicles, ambulances, fire engines, or other emergency vehicles.

Distributions received by a PSAP may be used only to pay for the following:

- (1) The lease, purchase, or maintenance of emergency telephone equipment, including necessary computer hardware, software, and database provisioning, addressing, telecommunicator furniture, and nonrecurring costs of establishing a 911 system.

..."

**SECTION 5.(b)** G.S. 62A-46 is amended by adding a new subsection (c1) to read:

"(c1) Radio Communications Equipment. – After the expenditures under subsection (c) are made, a PSAP that satisfies the operating standards established by the Board may use up to twenty-five percent (25%) remaining distributions for the lease, purchase, or maintenance of radio communications equipment including necessary hardware and software, base station transmitters, towers, microwave links and antennae used to dispatch emergency calls from the PSAP. A PSAP that receives a distribution from the 911 Fund may not use the amount received to pay for the cost of communication devices used by emergency responders."

#### Statewide Projects:

**SECTION 6.(a)** G.S. 62A-42(a)(6) reads as rewritten:

- "(6) To make and enter into contracts and agreements necessary or incidental to the performance of its powers and duties under this Article and to use revenue available to the 911 Board under G.S. 62A-44 for administrative expenses to pay its obligations under the contracts and agreements. The Board may use funds available to the Board under G.S. 62A-47 to pay its obligations incurred for statewide 911 Projects."

**SECTION 6.(b)** G.S. 62A-45(c) reads as rewritten:

"(c) Grant Reallocation. – If the amount of reimbursements to CMRS providers by the 911 Board for a fiscal year is less than the amount of funds allocated for reimbursements to CMRS providers for that fiscal year, the 911 Board may reallocate part ~~or all~~ of the excess amount to the PSAP Grant and 911 Statewide Projects Account established under G.S. 62A-47. The 911 Board may reallocate funds under this subsection only once each calendar year and may do so only within the three-month period that follows the end of the fiscal year. If the 911 Board reallocates more than a total of three million dollars (\$3,000,000) to the PSAP Grant and 911 Statewide Projects Account in a calendar year, it must consider reducing the amount of the service charge in G.S. 62A-44 to reflect more accurately the underlying costs of providing 911 system services.

The 911 Board must make the following findings before it reallocates funds to the PSAP Grant and 911 Statewide Projects Account:

- (1) There is a critical need for additional funding for PSAPs in rural or high-cost areas to ensure that enhanced 911 service is deployed throughout the State.
- (2) The reallocation will not impair cost recovery by CMRS providers.
- (3) The reallocation will not result in the insolvency of the 911 Fund."

**SECTION 6.(c)** G.S. 62A-47 reads as rewritten:

#### **§ 62A-47. PSAP Grant and Statewide 911 Projects Account.**

(a) Account Established. – A PSAP Grant and Statewide 911 Projects Account is established within the 911 Fund for the purpose of making grants to PSAPs in rural and other high-cost ~~areas~~. areas and funding projects that provide statewide benefits for 911 service. The Account consists of revenue allocated by the 911 Board under G.S. 62A-45(c) and G.S. 62A-46.

(b) Grant Application. – A PSAP may apply to the 911 Board for a grant from the ~~PSAP Grant Account~~. An application must be submitted in the manner prescribed by the 911 Board. The 911 Board may approve a grant application and enter into a grant agreement with a PSAP if it determines all of the following:

- (1) The costs estimated in the application are reasonable and have been or will be incurred for the purpose of promoting a cost-effective and efficient 911 system.
- (2) The expenses to be incurred by the applicant are consistent with the 911 State Plan.
- (3) There are sufficient funds available in the fiscal year in which the grant funds will be distributed.
- (4) The costs are authorized PSAP costs under ~~G.S. 62A-46(e)~~. G.S. 62A-46(c) or (c1).

(c) Grant Agreement. – A grant agreement between the 911 Board and a PSAP must include the purpose of the grant, the time frame for implementing the project or program funded by the grant, the amount of the grant, and a provision for repaying grant funds if the PSAP fails to comply with any of the terms of the grant. The amount of the grant may vary among grantees. If the grant is intended to promote the deployment of enhanced 911 service in a rural area of the State, the grant agreement must specify how the funds will assist with this goal. The 911 Board must publish one or more notices each fiscal year advertising the availability of grants from the PSAP Grant Account and detailing the application process, including the deadline for submitting applications, any required documents specifying costs, either incurred or anticipated, and evidence demonstrating the need for the grant. Any grant funds awarded to PSAPs under this section are in addition to any funds reimbursed under G.S. 62A-46.

(d) Statewide 911 Projects. – The Board may use funds from the Account for statewide projects if the Board determines the project meets all of the following requirements:

- (1) The project is consistent with the 911 plan.
- (2) The project is cost effective and efficient when compared to with the aggregated costs incurred by primary PSAPs.
- (3) The project is an eligible expense under G.S. 62A-46(c) or (c1).
- (4) The project will have statewide benefit for 911 service."

#### **Voluntary Consolidations:**

**SECTION 7.** For fiscal year 2010, the 911 Board may allow one-time grants for the non-eligible expenses for consolidating one or more PSAPs and the relocation costs of PSAPs. The costs may include construction costs. The expenditures for consolidation must be made in fiscal years beginning in 2010 and 2011. All expenditures must be reported to the 911 Board and approved by the 911 Board.

**SECTION 8.** This act is effective July 1, 2010.